

Honolulu, Hawaii

February 14, 2014

RE: H.B. No. 2639
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committees on Energy & Environmental Protection and
Water & Land, to which was referred H.B. No. 2639, H.D. 1,
entitled:

"A BILL FOR AN ACT RELATING TO GEOTHERMAL RESOURCE
DEVELOPMENT, "

beg leave to report as follows:

The purpose of this measure is to establish the framework to
regulate geothermal development activities through a permitting
process by, among other things:

- (1) Authorizing the Board of Land and Natural Resources to
issue permits for geothermal resource development within
a conservation district;
- (2) Restoring the county process by authorizing the
appropriate county authority to issue permits for
geothermal resource development within agricultural,
rural, and urban districts if the proposed activities
are not expressly permitted uses under the applicable
county plan and zoning ordinances;
- (3) Requiring renewable energy producers to apply to the
Board of Land and Natural Resources for a mining lease
on state lands; and



- (4) Prescribing penalties and remedies for violation of laws and rules relating to state mineral rights and requiring penalties, fees, and costs that are collected in connection with regulation of state mineral rights to be deposited into the Special Land and Development Fund.

The Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; Mayor of the County of Hawaii; Big Island Community Coalition; Japanese Chamber of Commerce & Industry; Kapolei Community Development Corporation; Hu'ena Power; Indigenous Consultants, LLC; Waimanalo Hawaiian Homes Association; and Innovations Development Group testified in support of this measure. Life of the Land; Puna Pono Alliance; Malu 'Aina; Paradise Action Womens Alliance; and numerous concerned individuals testified in opposition to this measure. The Office of Hawaiian Affairs and a few concerned individuals commented on this measure.

Your Committees have amended this measure by:

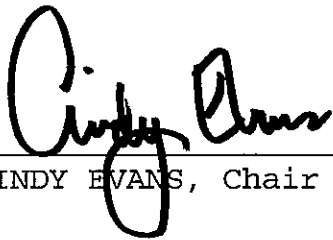
- (1) Ensuring that prospective geothermal resources development will have the least detrimental environmental and social impact by requiring that any geothermal resource development requires a geothermal resources development permit that shall be issued according to set guidelines;
- (2) Clarifying that the counties may issue geothermal resources development permits in agricultural, rural, or urban districts;
- (3) Clarifying that the Board of Land and Natural Resources shall govern the issuing of geothermal resource development permits in conservation districts;
- (4) Requiring that the Board of Land and Natural Resources initiate a hearing in the community where a proposed geothermal resource development permit is being sought;
- (5) Including the criteria for geothermal subzones into the geothermal permitting process;
- (6) Allowing decisions to be appealed through a contested case hearing in the Intermediate Court of Appeals;



- (7) Changing the effective date to January 28, 2878, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2639, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2639, H.D. 2, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Energy &
Environmental Protection and
Water & Land,


CINDY EVANS, Chair


CHRIS LEE, Chair



State of Hawaii
House of Representatives
The Twenty-seventh Legislature

HSCR 536-14

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 2639, HD 1	Committee Referral: EEP/WAL, FIN	Date: 2/13/14		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LEE, Chris (C)	X			
2. THIELEN, Cynthia (VC)	X			
3. CULLEN, Ty J.K.	X			
4. EVANS, Cindy	X			
5. HANOHANO, Faye P.				X
6. KAWAKAMI, Derek S.K.	X			
7. SAY, Calvin K.Y.	X			
8. NISHIMOTO, Scott Y.	X			
9. LOWEN, Nicole E.	X			
10. FALE, Richard Lee	X			
TOTAL (10)	9			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <div style="text-align: center;"> </div>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				

HSCR 536-14

Bill/Resolution No.: HB 2639 401		Committee Referral: EEP/WAL, FIN		Date: 2-13-14	
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.					
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)					
WAL Members		Ayes	Ayes (WR)	Nays	Excused
1. EVANS, Cindy (C)		✓			
2. LOWEN, Nicole E. (VC)		✓			
3. CULLEN, Ty J.K.		✓			
4. HANO HANO, Faye P.					✓
5. KAWAKAMI, Derek S.K.		✓			
6. LEE, Chris		✓			
7. SAY, Calvin K.Y.		✓			
8. NISHIMOTO, Scott Y.		✓			
9. FALE, Richard Lee		✓			
10. THIELEN, Cynthia		✓			
TOTAL (10)		9 (25)			1 (25)
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature: <u>Nicole E. Lowen</u>					
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